

Halifax Home Prices Post Modest Increase in 2019's First Quarter

Increased interprovincial interest and foreign buyer inquiries set stage for active spring; home prices expected to climb a further 1.2 per cent in second quarter

HALIFAX, April 4, 2019 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in Halifax saw a steady increase in the first quarter of 2019, rising 1.6 per cent year-over-year to \$318,733.

The median price of a two-storey home increased 1.2 per cent year-over-year to \$333,307. During this quarter, the median price of a bungalow rose 2.6 per cent year-over-year to \$266,078. Meanwhile, the median price of a condominium increased 2.9 per cent year-over-year to \$362,397.

“Activity remains steady with modest price increases,” says Marc Doucet, broker of record, Royal LePage Atlantic. “Our excellent selection of affordable properties continues to attract the attention of both interprovincial and foreign buyers.”

On a quarter-over-quarter basis, the aggregate price of a home in Halifax is expected to increase a further 1.2 per cent to \$322,667 in the second quarter of 2019.

“Halifax is still very much a seller’s market. We expect a busy spring with more showings and a decrease in inventory. Though a number of apartment-style units are scheduled to be built, most are poised to be rentals,” said Doucet.

Doucet believes the first-time home buyer incentives announced by the federal government last month may benefit the area.

“Unlike cities in Canada where the shared mortgage plan won’t enable people to make a down payment, you can find a good selection of listings lower than the proposed lending cap. We’ll have to wait and see, but if enacted, it would be a good thing for first-time buyers.”

Nationally, year-over-year home prices showed moderate gains in many regions across Canada in the first quarter of 2019. The Royal LePage National House Price Composite, compiled from proprietary property data in 63 of the nation’s largest real estate markets, showed that the price of a home in Canada increased just 2.7 per cent year-over-year to \$621,575 in the first quarter of 2019, well below the long-term norm of approximately 5 per cent. When broken out by housing

¹ Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.



type, the median price of a two-storey home rose 2.6 per cent year-over-year to \$729,553, while the median price of a bungalow rose 1.1 per cent year-over-year to \$513,497. Condominiums remained the fastest growing housing type on a national basis, rising 5.4 per cent year-over-year to \$447,260.

“We are expecting this to be a sluggish year overall in Canada’s residential real estate market, with the hangover from the 2018 market correction and weaker economic growth acting as a drag on home price appreciation, balanced by lower for longer interest rates,” said Phil Soper, president and CEO, Royal LePage. “There is a silver lining here. This slowdown gives buyers, and first-time buyers in particular, an opportunity to buy real estate in our country’s largest cities.”

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